

Subcommittee No. 1

Chair, Jack Scott

Member, Bob Margett

Member, Joe Simitian

Agenda

May 18, 2006

3:00 p.m. – Room 113

Part II

Higher Education

Community Colleges Ongoing Proposition 98 Funding

CCC	Gov (000's)	Reco	Cost	Comments
Growth (3% categorical and apportionments)	151,357	102,607	-48,750	2% apportionments; 1.74% categoricals
				Allocated pursuant to
Equalization	130,000	159,438	29,438	Legislation enacted in the 2006-07 session
Career Technical Education	50,000	50,000	0	AAB
				Divide funds into separate
Deferred Maintenance/Instruct. Materials	29,500	26,800	-2,700	schedules; adopt revised BBL
Matriculation	24,000	24,000	0	Approve May Revision
Mandates	4,000	4,000	0	Approve May Revision
Economic Development	15,000	15,000	0	Approve May Revision
CAHSEE Remediation	10,000	10,000	0	Approve May Revision
Disabled Student Services	9,600	9,600	0	Revised BBL
Apprenticeship	2,500	2,500	0	Approve May Revision
				Remove matching
Nursing Stipends	1,500	1,500	0	requirement; revise BBL
Nursing Attrition Reduction and Retention	0	8,000	8,000	Nursing Package
Cal-PASS	1,000	1,000	0	Approve May Revision
High Speed Network Costs	800	800	0	Approve as revised
				\$8 million workstudy; \$1 million job development; BBL specifying use of funds
CalWORKS	0	9,000	9,000	
				w/BBL specifying use of funds contingent upon legislation enacted during 2006-07 legislative session
Non Credit	<u>0</u>	<u>30,000</u>	<u>30,000</u>	
Total	429,257	454,245	24,988	

Community Colleges One-Time Funding

		Gov (000's)		Recommendation	
CCC					
General Purpose Block Grant		100,000		100,000	Approve May Revision
Deferred Maintenance/Instructional Materials	*	100,000		93,900	Divide funds into separate categories, pursuant to corresponding BBL
Career Tech Equipment an Facilities Improvements		40,000		40,000	Approve May Revision
Mandates		15,000		15,000	Approve May Revision
Part-Time Faculty Office Hrs		0		4,000	Augment Item
Part-Time Faculty Health Insurance		0		5,000	Augment Item
High Speed Network Last Mile Connection		500		1,446	Approve May Revision; augment by \$946K to reflect updated costs
Set-aside for Costs of changing funding formula		23,600		19,710	Full \$23.6 million amount not needed
Clinical Nursing Registry		<u>500</u>		<u>500</u>	Approve May Revision
Subtotal		279,600		279,556	
Compton Set-Aside (General Fund)		30,000			
	*	Balancer			

I. COMMUNITY COLLEGES

Item	Issue	Description	Staff Recommendation	BBL/TB	Compare to May Revision (000's)	Comments
1	6870-001-6028	May Revision: Staff for facilities planning (Issue 811)	Approve May Revision	No	0,000	New Issue
2	6870-101-0001	May Revision: Transfer and Articulation Provisional Language (Issue 818)	Approve May Revision	BBL, per DOF letter	0,000	Technical Issue
3	6870-101-0001	May Revision: Increased COLA (Issues 821 and 823)	Approve May Revision	BBL, per DOF letter	0,000	Conforming to COLA adjustment
4	6870-101-0001	May Revision: Student Fee Revenue Adjustment (Issue 824)	Approve May Revision	No	0,000	Technical Issue
5	6870-101-0001	May Revision: Board Financial Aid Program Adjustment (Issue 825)	Approve May Revision	BBL, per DOF letter	0,000	Technical Issue
6	6870-101-0001	May Revision: Oil and Mineral Adjustment (Issue 829)	Approve May Revision	No	0,000	Technical Issue
7	6870-101-0001	May Revision: Base Adjustment to Apportionments and Growth Funding Reduction (Issues 812 and 820)	Approve May Revision	Per DOF		Issue heard March 27th
8	6870-101-0001	May Revision: Consolidation of Schedule for Nursing (Issue 813)	Approve May Revision	BBL prov. (a)(c), per DOF letter	0,000	Technical Issue

Item	Issue	Description	Staff Recommendation	BBL/TB	Compare to May Revision (000's)	Comments	
9	6870-101-0001	May Revision: Augmentation for Recruitment/Retention of Nursing Faculty (Issue 835)	May Revision proposes a \$1.5 million augmentation, to be matched by local colleges, to provide incentive grants to recruit and retain nursing faculty	Approve May Revision; Remove local match requirement	Revised BBL prov. (6), per attached	0,000	Issue heard March 27th; local match requirement proposed by DOF makes program unworkable
10	6870-101-0001	New Issue: Nursing Program Attrition Reduction and Retention	May Revision fails to provide additional funding for services to nursing students. CCC's have expressed a need to provide coordinated attrition reduction and retention services for students enrolled in nursing programs	Augment by \$8 million and adopt BBL specifying use of funds. Allow CCC's to use a consolidated RFA process for colleges applying for nursing funds	BBL, per attached	8,000	Issue previously heard by committee on March 27
11	6870-101-0001	May Revision: Basic Skills Provisional Language (Issue 815)	May Revision proposes to add provisional language to the Basic Skills categorical program allowing unused funds to be made available on a one-time basis to colleges for deferred maintenance, instructional materials, and hazardous substance abatement	Deny May Revision and adopt alternative language	BBL per attached	0,000	Staff recommends allowing unused Basic Skills monies to remain for one-time uses within the Basic Skills program, per attached substitute language.
12	6870-111-0001	May Revision: Vocational Education Adjustment (Issue 827)	May Revision makes a \$2.9 million adjustment to the amount of one-time federal funds available for vocational education and specifies usage of dollars as being available to expand and align K-12 technical education programs with community college programs	Approve May Revision	BBL, per DOF letter	0,000	New Issue
13	6870-101-0001	January Budget: Services for Disabled Students	Governor's Budget provides \$9.6 million for enhanced services to disabled students. The community colleges have expressed concern with the BBL contained in the Governor's Budget and are requesting changes	Approve as Budgeted; Adopt Revised BBL	BBL, per attached	0,000	New Issue

Item	Issue	Description	Staff Recommendation	BBL/TB	Compare to May Revision (000's)	Comments
14	6870-101-0001 <i>May Revision: Deferred Maintenance Augmentation (Issue 830)</i>	May Revision proposes an ongoing augmentation of \$29.5 million for deferred maintenance, instructional materials, and hazardous materials abatement	Approve funding level for program at \$28 million; Adopt Revised BBL	BBL, per attached	-1,500	Revised BBL divides funds into separate categories due to different statutory local matching requirements
15	6870-101-0001 <i>May Revision: Augmentation for Matriculation Services (Issue 831)</i>	May Revision proposes an ongoing augmentation of \$24 million for matriculation services to students	Approve May Revision	BBL, per DOF letter	0,000	Consistent with CCC priorities for funding
16	6870-295-0001 <i>May Revision: Augmentation for Community College Mandates (Issue 838)</i>	May Revision proposes an addition \$4 million in ongoing support for mandate claims.	Approve May Revision	BBL, per DOF letter		Issue previously heard by committee on March 27
17	6870-101-0001 <i>May Revision: Augmentation for Economic Development Program (Issue 832)</i>	May Revision proposes an ongoing augmentation of \$15 million for economic development program, with \$8 million specifically for Responsive Incumbent Worker Training for high growth industries	Approve May Revision	BBL, per DOF letter	0,000	Consistent with CCC priorities for funding
18	6870-101-0001 <i>May Revision: Augmentation for CAHSEE Remediation Program (Issue 833)</i>	May Revision proposes an ongoing augmentation of \$10 million to provide remedial education services to high school students failing to pass the CAHSEE	Approve May Revision	BBL, per DOF letter	0,000	Consistent with CCC priorities for funding
19	6870-101-0001 <i>May Revision: Augmentation for Apprenticeship Programs (Issue 834)</i>	May Revision proposes an ongoing augmentation of \$2.5million for apprenticeship programs	Approve May Revision	BBL, per DOF letter	0,000	Consistent with CCC priorities for funding
20	6870-101-0001 <i>May Revision: Augmentation for CENIC Services (Issue 836)</i>	May Revision proposes \$800,000 to provide community colleges with high speed internet access	Approve May Revision	BBL, per DOF letter	0,000	Consistent with CCC priorities for funding
21	6870-101-0001 <i>May Revision: Augmentation for CalPASS (Issue 837)</i>	May Revision proposes an addition \$500,000 for the CalPASS data sharing system	Approve May Revision	BBL, per DOF letter	0,000	Issue previously heard by committee on March 27
22	6870-101-0001 <i>New Issue: Augmentation for Services to CalWORKS students</i>	Governor fails to provide additional funds to support services to CalWORKS students	Augment by \$9 million; Adopt BBL specifying use of funds	BBL, per attached	9,000	New Issue

Item	Issue	Description	Staff Recommendation	BBL/TB	Compare to May Revision (000's)	Comments	
23	6870-101-0001	January Budget: Enrollment Growth	Governor's budget provides \$151 million to support 3 percent enrollment growth in apportionments and 1.74 percent growth in categorical programs.	Reduce item by \$48.75 million to account for a reduction in budgeted enrollment growth from 3% to 2%	No	-48,750	Enrollment growth at the community colleges has failed to meet budgeted expectations (3 percent) in the current year and enrollment projections for 2006-07 are estimated at approximately 2%.
24	6870-101-0001	January Budget: Equalization	Governor's budget provides \$130 million to fund equalization of apportionments to the 90th percentile. However, updated estimates require additional funds to equalize funding rates to this level	Augment funding by \$29.4 million; specify funds to be allocated upon legislation enacted in the current legislative session	BBL, per attached	29,438	Issue previously heard by committee on March 27
25	6870-101-0001	January Budget: Career Technical Education	Governor's budget provides a total of \$50 million for career-technical education.	Approve as Budgeted		0,000	Issue previously heard by committee on March 27
26	6870-101-0001	New Issue: Noncredit Instruction	Governor's budget makes no changes to the rate at which noncredit instruction is provided.	Augment by \$30 million; adopt BBL specifying use of funds	BBL, per attached	30,000	Issue previously heard by committee on March 27

Item	Issue	Description	Staff Recommendation	B/L/TB	Compare to May Revision (000's)	Comments
II. ONE-TIME FUNDING ISSUES						
27						
28	6870-486 6870-651-0001	May Revision: Community College Block Grant (Issue 817; Issue 842)	May Revision provides a total of \$100 million in one-time funds (Proposition 98 reversion account and one-time "settle up" funds) for a per FTES block grant to colleges	Approve May Revision	Trailer Bill appropriation	0,000 New Issue
29	6870-496	New Issue: Reappropriation of current year, unused, basic skills funding	Community College indicate that \$30.7 million in funding for basic skills will be underutilized in the current year	Adopt Budget Bill Language reappropriating the funds for one-time basic skills uses	B/L, per attached	30,700 New Issue
30	6870-492	May Revision: Reappropriation for Transfer and Articulation (Issue 818)	May Revision proposes to reappropriate \$1.4 million from the current year for transfer and articulation-related activities	Approve May Revision	B/L, per DOF letter	0,000 Technical Issue
31	6870-495	May Revision: Reversion of unused current year funds (Issue 816)	May Revision proposes to revert unused current and prior year funds, including approximately \$90 million in unspent current-year and prior-year enrollment growth funding	Approve May Revision	B/L, per DOF letter	0,000 Issue previously heard by committee on March 27
32	6870-601-0001	May Revision: Set-Aside for General Fund (non-proposition 98) Loan to Compton CCD (Issue 800)	May Revision proposes to set aside \$30 million to address fiscal solvency issues at Compton CCD, pursuant to legislation	Approve May Revision	B/L, per DOF letter	0,000 New Issue
33	6870-651-0001	May Revision: Current Year, One-Time Augmentation for Deferred Maintenance (Issue 840)	May Revision proposes to provide \$100 million to the community colleges for deferred maintenance, instructional equipment, and hazardous materials abatement.	Provide \$93.9 million in one-time funding; conform to action related on ongoing funding	Trailer Bill appropriation	-6100 New Issue

Item	Issue	Description	Staff Recommendation	B/L/TB	Compare to May Revision (000's)	Comments	
34	6870-651-0001	<i>May Revision:</i> Current Year, One-Time Augmentation for Career Technical Education Equipment (Issue 843)	May Revision proposes to provide \$40 million to the community colleges for one-time equipment and facilities renovations to enhance career-technical education	Approve May Revision	Trailer Bill appropriation	0,000	New Issue
35	6870-651-0001	<i>New Issue:</i> One-Time Augmentation for Part-Time Faculty Office Hours and Health Insurance	Community college indicate that there is a shortfall in the amount of state funding provided for the part-time faculty office hours program (\$4 million) and the part-time faculty health insurance program (\$5 million)	Augment by \$9 million, one time funds	Trailer Bill or Reversion Account (DOF to determine)	9,000	New Issue
36	6870-651-0001	<i>May Revision:</i> Current Year, One-Time Augmentation for Implementation of a New Funding Formula (Issue 841)	May Revision proposes to provide \$23.6 million to the community colleges for one-time costs associated with implementing a new funding formula; however, only \$19.7 million in one-time costs are needed	Reduce item by \$3.9 million to account for updated cost estimates to implement new funding formula	Trailer Bill appropriation	-3,890	New Issue
37	6870-651-0001	<i>May Revision:</i> Current Year, One-Time Augmentation for Prior-Year Mandate Claims (Issue 844)	May Revision proposes to provide \$15 million to the community colleges for the payment of prior-year mandate claims. Combined with approximately \$22.5 million proposed in January budget, approximately \$37.5 million will be made available for past mandate claims	Approve May Revision	Trailer Bill appropriation	0,000	Issue previously heard by committee on March 27
38	6870-651-0001	<i>May Revision:</i> Current Year, One-Time Augmentation for High Speed Internet Services (Issue 846)	May Revision proposes to provide \$500,000 to the community colleges to extend high speed internet services to offsite centers. Updated costs estimate the need for an additional \$946,000	Approve May Revision; augment by \$946,000	Trailer Bill appropriation	0,946	New Issue
39	6870-651-0001	<i>May Revision:</i> Current Year, One-Time Augmentation to Establish an Online Nursing Faculty Registry (Issue 845)	May Revision proposes to provide \$500,000 to the community colleges to expand the nursing student clinical placement registry as well as establishing an online CCC nursing faculty registry	Approve May Revision	Trailer Bill appropriation	0,000	New Issue

California Community Colleges - Item 6870-101-0001

Recruitment and Retention of Nursing Faculty. Add new provision as follows:

Provision X (b) \$1,500,000 ~~shall be used to~~ *are for half-year costs associated with fund* ~~ing~~ a five-year grant program designed to recruit and retain full-time nursing faculty. The board of governors shall adopt criteria, *consistent with legislation enacted during the 2005-06 legislative session,* to allocate these funds on a competitive basis ~~with a requirement that funds allocated under this program be matched on a one-to-one basis by the participating district. These criteria shall also specify a detailed annual stipend scale.~~

Nursing Program Attrition Reduction and Retention Program. Add new provision as follows:

Provision X(d). \$8,000,000 is to provide student supportive services to reduce attrition in nursing programs, consistent with legislation enacted during the 2005-06 legislative session.

Provision X (e). The community colleges chancellors office may use a consolidated application process to distribute funds appropriated under Schedule (23) Nursing Program Support, in order to streamline the application process and expedite the allocation of funds.

Basic Skills Provisional Language. Amend Provision 9

9. Of the funds appropriated in Schedule (2) for Basic Skills and Apprenticeship Programs, any funds not required to meet the demand for the program funded under that schedule shall be made available on a one-time basis for ~~deferred maintenance, instructional materials, and hazardous substance abatement under the same terms and conditions specified in Schedule (17) of this item~~ enhancements to basic skills and immigrant education programs, including but not limited to curriculum development, course articulation, research, professional development, instructional equipment, counseling, and tutoring. Funds shall be allocated to districts on the basis of full-time-equivalent students in basic skills and immigrant education programs.

Services for Disabled Students. Revised Budget Bill Language

Provision 15 (e). Of the funds appropriated in Schedule (5) for Disabled Student Services, \$9,600,000 shall be allocated to support high-cost sign language interpreter services and real-time captioning equipment or other communication accommodations for deaf/hard of hearing students based on a 4 to 1 state to local district match.

Scheduled Maintenance, Instructional Equipment, and Hazardous Materials Abatement.

24. The funds appropriated in Schedule (17) for Physical Plant are available for the following purposes:

(a) Scheduled maintenance and special repairs of facilities. The Chancellor of the California Community Colleges shall allocate funds to districts on the basis of actual reported full-time-equivalent students (FTES), and may establish a minimum allocation per district. As a condition of receiving and expending these funds for maintenance or special repairs, a district shall certify that it will increase its operations and maintenance spending from the 1995-96 fiscal year by the amount it allocates from this appropriation for maintenance and special repairs, plus an equal amount to be provided from district discretionary funds. The chancellor may waive all or a portion of the matching requirement based upon a review of a district's financial condition. The question of whether a district has complied with its resolution shall be reviewed under the annual audit of that district. For every \$1 a district expends from this appropriation for scheduled maintenance and special repairs, the recipient district shall provide \$1 in matching funds.

(b) Hazardous substances abatement, cleanup, and repairs.

(c) Architectural barrier removal projects that meet the requirements of the federal Americans with Disabilities Act of 1990 and seismic retrofit projects limited to \$400,000. Districts that receive funds for architectural barrier removal projects shall provide a \$1 match for every \$1 provided by the state. The amounts in Schedule (17) of this item shall be available for expenditure until June 30, 2007.

25. The funds appropriated in Schedule (17.5) for the Instructional Support Program are available for the following purposes:

(a) Replacement of Instructional equipment and library materials. For every \$3 a district expends from this appropriation for replacement of instructional equipment or library materials, the recipient district shall provide \$1 in matching funds. The chancellor may waive all or a portion of the matching requirement based upon a review of a district's financial condition. The funds provided for instructional equipment and library materials shall not be used for personal services costs or operating expenses. The Chancellor of the California Community Colleges shall allocate funds to districts on the basis of actual reported full-time-equivalent students (FTES), and may establish a minimum allocation per district. The question of whether a district has complied with its resolution shall be reviewed under the annual audit of that district. The amounts in Schedule (17.5) of this item shall be available for expenditure until June 30, 2007.

Services to CalWORKS Students

Of the amount appropriated in Schedule (6) Special Services to CalWORKS Recipients, at least \$8,000,000 is to provide direct work-study wage reimbursement for students served under this program. \$1,000,000 shall be available for campus job development and placement services.

Equalization Language

Provision 8. Of the funds appropriated in Schedule (1) for Apportionments, ~~\$130,000,000~~ \$159,439,000 is for equalization pursuant to this provision, and shall be allocated, pursuant to legislation enacted during the 2005-06 legislative session. ~~according to the formula specified in Chapter 216 of the Statutes of 2004.~~ These funds shall not be considered to be Program Improvement funds pursuant to Title 5 regulations.

NonCredit Instruction

Provision X. Of the amount appropriated in Schedule (1) Apportionments, \$30,000,000 is available as supplemental funding for career and college preparation courses authorized pursuant to legislation enacted during the 2005-06 legislative session. The board of governors shall adopt criteria and standards for both the identification of career and college preparation courses and eligibility of these courses for funding. The criteria and standards shall be based on recommendations from the chancellor, the statewide academic senate, and the statewide association of chief instructional officers. The chancellor shall forward the recommended criteria and standards to the Governor, Legislature, and the Director of the Department of Finance.

Reappropriation of unused current year Basic Skills Funding

Add Item 6870-493 as follows:

"6870-493--Reappropriation, California Community Colleges, Proposition 98. The amount of \$30,724,000 from Schedule (2) of Item 6870-101-0001 of the 2005 Budget Act, as set aside in Provision number 6 of the item, is hereby reappropriated to the board of governors and shall be available for encumbrance and expenditure until June 30, 2007 on a one-time basis for the following purposes:

(1) \$750,000 for research and facilitation of statewide work by community college institutional representatives and experts to improve curriculum, instruction, student services and program practices in the areas of basic skills, including English-as-a-second language and workforce preparation courses for newly legalized immigrants.

(2) \$29,974,000 for allocation by the chancellor to community college districts for the enhancement of basic skills and immigrant education programs. The allocated funds may be expended, at local discretion, for research, curriculum development, professional development, articulation, assessment, counseling, tutoring, instructional materials and other one-time purposes directly related to the enhancement of basic skills and immigrant education programs. The allocated funds shall augment, and not supplant, current expenditures by districts on basic skills and immigrant education programs. The chancellor shall distribute funds on the basis of full-time-equivalent students in basic skills and immigrant education programs and may establish a minimum allocation per district of up to \$50,000.

For the purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the reappropriation made in this item shall be deemed to be "General Fund revenues appropriated for community college districts," as defined in subdivision (d) of Section 41202 of the Education Code, for the 2005-06 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code for the 2005-06 fiscal year."

